

ON HOLISTIC WISDOM CORE DATUM ACCOUNTING: SHIFTING FROM ACCOUNTING INCOME TO VALUE ADDED ACCOUNTING

Aji Dedi Mulawarman
Department of Accounting
University of Brawijaya

Abstract

This article is designed to create value added accounting concept based on holistic wisdom as supplant of income concept based on conventional accounting. The methodology used is The General Theory of Science from Hidayat Nataatmadja to build a value added concept with harmonious parity, *kewargaan* (citizenship) and *iman* (faith). Step one is to detect how accounting is used for Neoliberalism despotism tools that do not match harmonious parity. This is an agenda to enable MNCs (Multi National Companies) to “jail” accounting, therefore accounting must be limited-holders orientation designed and formed in conventional financial statement structures. In addition, there is a power need from accounting politics, which are the IAI and national-international networks. For deep interaction analysis, theoretical and political designs are needed to investigate income concept and advanced development from social and environmental accounting approach. Step two, using harmonious citizenship to develop accounting income concept that is free from Neoliberalism clutch, value added concept is employed. However, value-added concept needs to move further towards value added accounting based on holistic wisdom. The result, value added accounting has twelve chakra(s). Accounting does not just take sides to limited-holders, but must also take sides to broadening stakeholders, pro people and environment with God Consciousness based on harmonious *iman*. This is called holistic holders.

Key Words: neoliberalism, *limited-holders*, *holistic-holders*, value added with holistic wisdom, knowledge of universe, faith-parity-citizenship concordance.

By working through large corporations that bestride this earth, human beings for the first time have successfully utilized world resources efficiently as dictated by the logic of objective gain.
(George Ball; Chairman Lehman Brothers International 1968)

Corporatocracy, (government that is controlled by owners of large corporations) as a powerful system to control global economy and politic, has seven elements, which are large corporations, government political power, especially America and its affiliates, international banking, military force, mass media, co-opted intellectuals, and last but not least is national elites with the characters of inlanders, compradors, or slaves.
(M. Amin Rais: *Selamatkan Indonesia* 2008)

Accounting up to this date is still on the *peripheral datum*¹, as a supplement for the Western accounting *core datum*². *Peripheral datum* stance could be seen from the reduction of the main strength of Indonesian accounting, Pancasila (ekonomi kerakyatan or people-based economy), ontological base of Indonesian traits, without the role of *coring dogmatic of datum* (centering to complete the *datum*) as epistemological driver, axiology, technology into the practice and regulation of accounting in Indonesia. Liberalism as the Western main *datum* (value, ideology, concept) has “entrapped” accounting into the tyranny of capital owners through corporations as their most effective and efficient tools. Liberalism has three main elements, which are prioritizing personal wealth, searching and maximizing gains, as well as competing in free market economy. To achieve the three elements of liberalism, capitalism as generator is needed to enable capital accumulation for personal interest that is known as owners, stockholders, investors or creditors. It is clear that conventional accounting *core datum* is liberalism-based capitalism. Now, it even evolves to Neoliberalism.

The question is where is Neoliberalism web in accounting? The answer lies in the income concept that is carried out by Multi National Companies (MNCs). Is this true? This article tries to detect further how accounting has been used as tool in the interest and sake of Neoliberalism as well as to propose its antithesis which is income concept based on people economy. This article is structured in the following fashion. First, elucidation is given to explaining how the MNCs entrap accounting by designing accounting theory that is designed for

¹*Peripheral* means on the margin or marginalized. *Datum* here could be describes as value or knowledge ideology, that possesses normative, conceptual, factual and empirical scope. *Peripheral Datum* is a term that describes value or ideology of knowledge that normatively, conceptually, factually and empirically is marginalized or is on the margin of dominating presently.

²*Core* means center or centralized. *Core Datum* in this article could be described as value or ideological stance of knowledge that is normatively, conceptually, factually and empirically becomes the centre and is dominating presently.

the sake of limited holders (limited stake-holders). This design is formed in the conventional structure of financial statements. Second, after accounting is designed for limited holders, accounting politic empowerment is needed by the hand of IAI and its national-international web. To see how theoretical and political designs interact, the main and most central accounting concept, which is income, is explored further. As explanation to Indonesian economy substance, *Ekonomi Kerakyatan* (People Based Economy) is brought to light as a base to develop Value Added Accounting Concept pro People. Meanwhile, methodological framework would employ indigenous Indonesian knowledge derived from The General Theory of Science from Hidayat Nataatmadja.

RESEARCH METHOD

The fact is liberalism that now undergoes evolution to become Neoliberalism, and that has gradually enveloped Indonesia from its policies to concrete actions, is not in line with such intermediating corridor. Liberal ideology, according to Nugroho (2001), tends to maintain individual rights and negates the fact that private sphere has public sphere consequence. Even intermediating institutions (such as religious, social-economical institutions including cooperation/*koperasi*) are being challenged and driven into private sphere.

Ekonomi Kerakyatan (People Based Economy) that is in essence a free intermediate substance pattern as well as private and public sphere dichotomy, such as *Koperasi*, now becomes representation of globalism and neoliberalism, that is unconsciously taking a slow suicidal path. Supposedly, *Ekonomi Kerakyatan* (People Based Economy), according to Mubyarto (2002), is not about cooptation and stunting of the majority of Indonesian people businesses, but about production and consumption activities from and to all society, that is managed by leaders and watched over by members of society. Arif's (1995) proposal to remedy national economy is to perform basic social reformation, namely "an effective development state". "An effective development state" is an elite power that possesses these following nature and behavior (1) free from any interest except for people interest; (2) free from any seduction to enrich oneself and family from the use of power at hand ; (3) organizes political ideology that is pro-people, pro-justice, anti-oppression, anti-feodalism, anti-nepotism and despotism, place high value on integrity, appreciate real and committed work to human emancipation; (4) do not perform country as a "soft state", which is a weak and timid government that is reluctant to take lawful action towards every form of deviations that would slow down real social transformation process.

How is Indonesian accounting that is pro-empowerment and strengthening people economy? The most apparent action is to develop accounting not from the "materialism and anthropocentric oriented" based. Indonesian accounting form in the future is accounting that is not limited to material, as well as egoism individual and group. Holistic

empowerment comprises material, self and social egoism, must be developed and extended further. It must even go beyond that; it must be based on the real Pancasila and UUD 1945.

If we refer to the source of all sources of law in Indonesia, Pancasila, then we can not read it in parts, but whole. When we detect accounting as part of economy, then we could design accounting from the fifth tenet of Pancasila (Social justice for all Indonesian people). Designing accounting must hinge on all principles in Pancasila. A holistic form of the five principles in Pancasila consists of the Indonesian human-self character (the second principle), society identity (the fourth principles) and Godliness values (the first principles) that adhere in the unity (the third principles). These holistic natures of Pancasila then should adhere to internalization of Indonesian Accounting.

A holistic interpretation of Pancasila values according to Nataatmadja (1983, 30-31) actually constitute of the nature of Pancasila itself. Meaning of Pancasila must be perceptible in a wholeness of science and religion. In Pancasila exist the real unity between objectivity interest and subjectivity materiality of self, social and environment simultaneously that is based on Godliness values. That is the substance of Pancasila; that is the substance of Accounting; holistic accounting. Holistic accounting should face unity orientation between objective-subjective, between real-unreal, between quantitative-qualitative, and should possess material-soul-spiritual values, that is financial-social-environmental oriented, which should have Godliness values. Holistic Accounting would be in line with Pancasila values, that according to Nataatmadja (1994, 1), is a form of *Keilmuan Semesta* (The General Theory of Science), as the *Rukun Sentral* (Harmonious Centre) from People Base Economy with Pancasila version.

Rukun Sentral of *Keilmuan Semesta* ala Hidayat Nataatmadja has three harmonious derivatives. First, *Rukun Paritas* (Harmonious Parity), as a manifestation from Quranic verse; God create all of things in counterpart. This means that objectivity should be accompanied by subjectivity, *vice versa* (Nataatmadja 1994, 37). Second, *Rukun Kewargaan* (Harmonious Civilizations), together with *Rukun Paritas* form new scientific paradigm towards *Rukun Keimanan* (Harmonious Beliefs) as the core. This is rejecting individualistic and atomistic approach, but prioritizing togetherness and unity of every form (Nataatmadja 1994, 43). As the result, material-nonmaterial as well as quantitative-qualitative aspects must be oriented for all, pro togetherness-people-society-environment, and deny serving only one interest. This would bring principle consequences of accounting parity and accounting equilibrium.

Based on Pancasila holism too, if we detect accounting as a part of economy, then by referring to UUD 1945, article 33 of UUD 1945 can not be read just as a part of economic interest of Indonesian people. Economic wealth is not just a manifestation from article number 33

UUD 1945. Article 33 is just a part of holistic will of Indonesian people that is to obtain social, economic, political, cultural, physical, soul, and spiritual welfare, which is a manifestation towards the dignity of Godliness Human. This means that if accounting wants to be free from the “jail” of the American version economic materialism, then of course we should not rush into accepting antithesis like Marxism, or a more “soft” form such as socialist materialism and also new socialism.

Then the message conveyed by HOS Tjokroaminoto, “The King without Crown”, The Guru of Nation Founders, is true: “to be out of capitalism towards socialism is useless, since both still worship or deify materialism. The right economy is economy for people, economy with togetherness orientation, to possess moral, social responsibility, and more importantly responsibility to God”. This spirit must exist in our accounting. Accounting must strive for all, for togetherness orientation, to possess moral, social responsibility, and more importantly responsibility to God. But, religiosity of people based accounting is not similar to religiosity in “spiritual” company that has employed spirituality as the “driver” to obtain economic bottom line interest or whatever economic reasons it poses.

People based accounting must be intact and steady to recline to long term interest, which is God’s ways. This is people based accounting in Genuine Religious People *Core Datum* corridor. Godliness Concept of Accounting is the apex of Harmonious Parity and Harmonious Civilizations, which is named by Nataatmadja (1994, 24-31) as Harmonious Beliefs. The Core of Harmonious Beliefs is the belief to Oneness of God (*Kesatuan Ilahi*) with all of God’s guidance and advice. From Harmonious Beliefs and obedience to The Creator, human orientation sees everything not just based on objectivity, but also with subjectivity values. Objectivity is connected with materiality of things, while subjectivity is connected to soul and spiritual transcendental values as well.

Findings And Discussion

Theoretical foundation: inconsistency in neoliberalism structure of financial statement (harmonius parity). Inconsistencies in Harmonious Parity in accounting could be seen from four accounting despotism keywords in financial statements structure. The first keyword is Bottom Line Income. Accounting orientation and interest are based on income that is covered in Income Statement. Income is the first objective for the sake of owners as a whole; comprises traditional owners, stockholders/shareholders, as well as investors. In order to match income to owners’ interest, some efforts need to be done, ranging from cost of goods sold (CGS) efficiency and engineering of sale price, to achieve maximum gross profit. Determination of gross profit is not enough, therefore management interest (operation), labor cost (wages), government tax and other holders who could subtract the gross profit are need to be designed with definition of word “expense”, which literally means “burden”. Everything in expense parts constitute to the

“burdening” of income. In this sense, “expense” must be designed so that owners’ income becomes dominant and maximum.

The second keyword is Right Top Line Liability. Orientation and interest of accounting at liability is covered on the balance sheet and is placed on the top right. Why is this so? The explanation for that lies on the trilogy of Modigliani and Miller’s Capital Structure’s (1958; 1961; 1961), i.e. the fundamental “finance theorem”. Liability is about effective method for owners and management (in internal position) to share “profit” with creditors (in external position) via theoretical design and empirical behavior of business owners to face the tax payment pressures from the state/government. Why should the owners share the profit with creditors? This is because creditors possess wealth sources, but without direct control company rights, unlike the stockholders and investors (through annual or extraordinary general meeting of shareholders). In addition, owners as well as management also have advantage over liability, because dividend for investors as well as stockholders who wish for high equities values, since the cost of liability is very low. Political atmosphere of management and owners to get value added for “slaved” company could be cruelly felt in the process of capital structure engineering and accounting as technical representations. This is named as Balance Sheet Politics.

The third keyword is Left Top Line Cash in Balance Sheet and Bottom Line Cash in Cash Flow Statement. Cash orientation and interest of accounting are shown on two financial statements, which are positioned on Left Top and Bottom Line Cash. Top Line Cash could be found at the Balance Sheet, while Bottom Line Cash could be found at Cash Flow Statement. Technically, cash could be viewed from its nature as tools that inform its connection with company’s future cash flow, profitability, solvency, and flexibility. In a more conceptual view of cash flow accounting, cash could be seen in connection with “asset values recognition” and “income measurement” of investor interest for watching company’s past, current and future performances. Cash could have “honest” values for investors as healthy company measurement other than income, because income is more vulnerable to manipulation practices, changing accounting methods, and have abstract value that could not show real value. Both “cash” (in balance sheet and cash flow statement) are used for interest trade-off between management on one side and owners/investors/stockholders on the other side. In the management interest, if more cash is invested then management can have direct control and intervention. For external management interest, cash is used to distribute certainty profit in form of dividend.

The fourth keyword is Substance Equity. Equity orientation and interest of accounting could be seen at Statement of Retained Earnings (SRE). SRE is usually shown as an end part of financial statements; that is to inform income progress between both annual financial statements that will be distributed to all stockholders/shareholders. Another SRE goal is to provide income information that is still owned by company. This means that SRE interest is earnings information just for

owners and not to all stakeholders. So, the “zenith” of all financial statements and accounting actually lays in the SRE, which elucidates company ability to create earnings, equity and income information owned by company.

In conclusion, income, liability, cash and earnings, actually accounts that are prepared for limited-holders. They are management, owners, investors, stockholder/shareholders, and creditors. So, the core of financial information and all of accounting design have been solely oriented to limited-holders. This is neoliberalism or *core datum* in accounting. There are inconsistencies in harmonious parity from the general theory of science. Inconsistencies could be shown in the emphasis on objectivity of accounting. Subjectivity has been abandoned and considered as an unimportant part of accounting.

Theoretical foundation: inconsistency of income concept (harmonious civilizations). Despotism could be viewed from politicization of accounting. Accounting inconsistencies are contained in epistemological aspect, specifically in a subjectivity negation and more emphasis to objectivity. Further, inconsistencies impact could be seen from epistemological perplexity of harmonious civilizations. Harmonious civilizations views that accounting can not be created only for one side egoism or self interest, but must also bring value added or benefit for “all”. Negation of all interests and determination of unjust interest in accounting will be shown under political economy of accounting in the context of struggles over “income”.

Politics of accounting is launched to disseminate “seeds” of the “main truths” in conventional accounting values namely income, liability, cash, and earnings, as the core datum spirit of liberalism. Dissemination is carried out through accounting regulations in the name of IAI (The Indonesian Institute of Accountants) in Indonesia as an AICPA subordinate (American Institute of Certified of Public Accountants) in the past (with regulation product namely the SAK or Financial Accounting Standards, similar to FASB) as well as the IASB (International Accounting Standard Boards) now (with regulation product namely the IFRS – International Financial Reporting Standards). Both AICPA and IASB are accounting regulators with most members of their boards are dominated by the Big Four and have economic dependence on the MNCs. Is this true? The following arguments will be discussed.

Neoliberalism clutch in accounting. MNCs are modern forms of advanced Capitalism which is usually called by the name of Neo Liberalism; ultimate power that is evolved from Liberalism. Accounting itself is the tool for the MNCs, as well as the tool for Neoliberalism to disseminate power above society, state and even God. More technically, IFRS as an accounting regulation in the name of harmonization or convergence, in the world where “money” and “profit” could be created must submit itself to corporation hegemonic clutch. Corporate hegemonic clutch is what it is called by Merino *et al.* (2005) as

manufactured consent (industrialized deregulation). Manufactured consent is an effective way for maneuver power and ideological justify from deregulation way (ascertain acts in every countries) to distribute wealth globally in emphasis free-market condition that also must be regulated intervention as well. Global wealth in accounting existed via four conventional accounting core datum interest. MNCs are designing deregulation via harmonization or convergence in accounting and pressure in using IFRS. Who are in charge? They are accountant and financial analyst assigned as professional gatekeepers, functioned to inject MNCs' interest via politics lobby and auditing deregulation for profit. When accounting is not value-free, but value-laden, then automatically conventional accounting presently is dominated by the Western *core datum*. This would shape the characters of accounting into capitalistic, secular, egoist and anti altruistic (Mulawarman 2009). When accounting is directed towards economic-political interest of the MNCs for economic liberalism, then accounting which is taught and practiced without any filtration, would clearly be oriented towards economic liberalism as well (see, for example Choi and Muller 1998; Graham and Neu 2003; Kim 2004; Abeysekera 2005; Lehman 2005, Mayper *et al.* 2005; Merino *et al.* 2005; Diaconu 2007; Mulawarman 2008).

In the end, accounting must continue its vision as important tool to realize globalization for the MNCs (Thorelli 1977 in Choi and Muller 1998). The behavior of the MNC through accounting harmonization practices is similar to colonialism (Choi and Muller 1998, 48). Accounting "colonialism" through harmonization in Indonesia has started ever since the monetary crisis in 1997. The IMF (International Monetary Fund) has proposed several requirements regarding lending conditionalities from the Memorandum of Economic and Financial Policies³. If Indonesia should undergo macro economics changes, then one requirement is that accounting practices in Indonesia should adopt the policies of the neoliberal IASB (Graham and Neu 2003). Adoption pattern without seeing value sources of Indonesia is named as *abdi-dalem* (slave) mentality by Nataatmadja (1984, xxv). Human that possesses *abdi-dalem* character is in fact "has not become a human", since he/she has not achieve independent knowledge and living, and therefore he/she ought to be oppressed.

Accounting theoretical-political interaction through income concept. Income as one keyword in conventional accounting, conceptually is still on technical level, material-oriented and related to conventional economics. Income on technical level has been described by Chariri and Ghazali (2000, 214) as operational accounting income, under the view of cooperation as a unit. Income is "the difference between realized revenue from transactions that occur in one period

³The Memo of Understanding was signed between the IMF and Indonesian government in 1997 before the fall of President Soeharto as a result of Reformation in 1998.

and expense that relates to that revenue". This operational definition, according to Wolk *et al.* (1989, 269-270) refer to Accounting Terminology Bulletin (ATB) 2, which reflects revenue-expense approach and emphasizes direct identification from revenue-producing activities. If the discourse of accounting income is based upon revenue-expense approach, then we will discuss the income conception syntactic level. Accounting income on syntactic level, according to Suwardjono (2005, 469-473), is defining income as the difference between measurement and matching between revenue and expense with transaction-activities approach.

Besides the two approaches, there is an approach that seeks to maintain financial capital as well as physical capital under the view of who is in power over the capital. Under the financial capital view, income must be brought closer to the first interest of economic value of stockholders or obligation, equities and (or) creditor. Meanwhile, under the view of physical capital, then income should be brought closer to the first interest of the company ability to perform physical production capacity to produce goods and services that is run by the management. In simple term, when income is viewed under financial capital, its primary orientation is stock-holders, obligation-holders, equity and creditor. However, under physical capital view, income orientation is the management. So, technically, accounting income must be produced towards adequate financial statement information provision for the interest of stock-holders, obligation-holders, equity, creditor and management. The interest of the society, environment, as well as compliance with sociological-society ethical standards or social-religious interest for example the determination of *zakat*, *infaq*, *shadaqah* in Islam has not been touched. If investigated further, then obedience towards God has been forgotten. Besides that, income information that is required pertains to material information only, in both financial and physical income. Non-material information is not the main information, but only marginalized information (periphery). Non-material information is not the main information, but only marginalized information. Material information is quantitative in nature (numbers). This key is the main key to accounting, beyond this, such as qualitative information, is not of a main concern, but it becomes additional or peripheral information.

Whether information is material or not is then described in materiality principle. (Hicks 1964; Bernstein 1967; Frishkoff 1970; Ro 1982; Messier *et al.* 2005). The importance of materiality is confirmed by the Financial Accounting Standards Board's Memorandum Discussion (1975, 3):

The concept of materiality pervades the financial accounting and reporting process. It influences decisions regarding the collection, classification, measurement, and summarization of data concerning the results of an enterprise's economic activities. It also bears on decisions concerning the presentation of that data and the related disclosures in financial

statements. As applied by preparers and auditors, the concept of materiality is generally understood ultimately to involve determination of the importance of a matter for financial reporting purposes.

The essence of materiality relates to the materiality of accounting information provided for public. On the other hand, if it is not material then accounting information should not be presented (ignored) and disclosed separately (Ro, 1982). The consequence would be that not all financial information needs to be disclosed; or not all misstatement needs to be corrected (Rose *et al.* 1970 in Ro, 1982). Further, materiality principle according to Hicks (1964) follows the basic proposition:

“...if it doesn’t really matter, don’t bother with it”

This proposition in accounting, Hicks (1964) continues, could be regarded as follows:

“If financial statements are to be prepared and examined with anything approaching reasonable economy, and if they are to be meaningful and useful, such a doctrine is indispensable”.

Materiality clearly leads to two things. First, relativity of materiality itself and second, quantification of accounting information materiality. Relativity and quantification become the base for Frishkoff (1970) two generate two important words in defining materiality:

“...the relative, quantitative importance of some piece of financial information, to a user, in the context of a decision to be made.”

For Frishkoff (1970) relativity and quantification of accounting information is needed to satisfy the interest of financial information users in the context of decision making. Relativity and quantification could also be seen from the definition of materiality put forward by Financial Accounting Standards Board’s (FASB) in the Statement of Financial Accounting Concepts No. 2 (FASB 1980, 132):

“The omission or misstatement of an item is material in a financial report, if, in light of surrounding circumstances, the magnitude of the item is such that it is probable that the judgment of a reasonable person relying upon the report would have been changed or influenced by the inclusion or correction of an item.”

The definition of materiality by the IFRS is not far different:

“Materiality is a component of relevance. Information is material if its omission or misstatement could influence the economic decisions of users”

Based on the explanations, accounting over-emphasizes “material” income and its limited orientation to “specific” users (stockholders, obligation holders, equity, creditor and management) and has negated *peripherally* “other” users (society, environment) and even God. If it is immaterial, it should be ignored. Based on these “specific” users so these “specific” users could understand income well, then important information is limited to quantitative or numeric information, while qualitative information must be “banished” to be “peripheral” information.

Value added accounting concept with holistic wisdom. Other alternative besides egoistic and self-interest approach would result in new movement, which is Social and environmental accounting, usually referred to as Corporate Social Responsibility on Accounting. The thought of charity corporation is not new. Berie and Means (1975) have proposed company transformation to be actively involved in social and environmental interest. Even management book written by Drucker (1993; 2004) affirms that company should not be interested in the internal of the company (implementation within management) but must also in the interest of the society.

The role of companies and management that is based on social interest is not new or a surprise. It is not an advanced thought or evolution towards good companies and management. This is because, in essence, if we look back to the history of company as entity in the society, then it is clear that a company is born for the sake of the society, not for itself. According to the expert of the western business history, Ross Robertson (Estes 2005, 29), a company is established to serve public interest or society. Even in 1800s, company is not permitted to have other purpose except to represent public interest (Davis in Estes 2005, 29). The problem arises with time. Companies are bigger, more in numbers, and therefore becoming greedier and oriented towards self interest (Estes 2005, 35). The time shows that world class companies have turned to MNCs and have forgotten their duties as entities who must serve the public. This change of role, according to Barnett and Muller (1984, 8-11), could be seen from the change of MNCs’ paradigm or worldview, from social interest to power interest beyond nation state. MNCs’ worldview in the modern world is centralized in viewing the world as “one economic unit” to fulfill the old capitalism dream on One Great Market. The way to do this is by “destroying boundaries” towards the transcendental unity of corporation, tool of world development, single power for peace and powerful representation of international society. The reflection of such paradigm has taken shape of Income Statement to simplify performance quantification for the sake of stockholders instead of stakeholders (Estes 2005:37). Social and environmental aspect itself by the MNCs

remain the same; they are externalities, therefore accounting approach as information representation and company accountability has placed social and environmental aspects as voluntary accounts. Such social and environmental accounting approach is known widely as Middle Ground stream.

The development of social accounting and its representation in the form of Corporate Social Reporting (CSR), is dominated by Middle Ground, which retains the traditional accounting *status quo*. This traditional nature could be seen in the form of financial statement that until now capture only limited social reality signals in the company organization lives and ignores externalities (Gray, *et al.* 1996:298). Accounting reporting has placed social and environmental interest as voluntary disclosure. Voluntary disclosure with complete and thick indicators, in whatever manner, would place social and economic reporting as cause and effect concept. Gray (2006) sees that social-economic accounting approach based on “business as usual” or on Triple Bottom Line⁴ would not have much difference. Companies’ financial statements formally possess social and environmental care, but in reality these financial statements do not have impact whatsoever on the going concern of empirical ecology. The destruction of environment and social system or even individual alienation are still rising with the rise of such “social and environmental caring” financial statements. Formal audit approach does not have direct correlation to the improvement of the individual, social and environment (which are in effect getting destroyed).

The difference between the Middle Ground and Non-Middle Ground according to Mulawarman (2006:184) lies on the scope of accountability. The Middle Ground retains the conventional accounting *status-quo*. CSR has only become supplementary extension. This school is also called Environmentalism or shallow ecology. Non-Middle Ground has conducted extensions and critics towards conventional accounting by changing Financial Statement with mandatory CSR report. However, both are still in material conception. The extension lies on the financial and non-financial measurement conception. Non material values are not yet detected. Thoughts about material

⁴Triple Bottom Line (TBL) is rooted from John Elkington’s book namely *Cannibals With Forks: The Triple Bottom Line in 21st Century*. Elkington develops three important components for sustainable development, which are economic growth, environmental protection and social equity. The three components are usually referred to as 3P, profit, planet and people. In short, TBL depicts that company should not just be concerned with economic gain based solely on profit, but also is concerned with environment (planet) and social welfare (people). In Indonesia TBL application in CSR has been realized in the *Undang-Undang Perseroan Terbatas* (Law of Limited Company); UU No. 40, 2007. Law that also regulate CSR could also be found in UU No. 25 2007 on Capital Investment; as well as UU No. 19 2003 on BUMN (State Owned Companies).

conceptions in non middle group school have shifted from Shallow Ecology towards Deep Ecology.

Shallow Ecology is a view that is concerned with environment through technical or economical approach. Shallow Ecology has two perspectives. First, to view environmental destruction as change of functions because of the entrance of strange substance in the environment though its natural ability to cope with the problem. Its solutions are technical in nature and it relies on scientific and technological instruments. Second, to view environmental destruction as external costs of economic activities that would bring failure of the market. Both perspectives have placed human above nature.

Deep ecology according to Capra (1996:6-8) is a shift of paradigm from anthropocentric shallow ecology. Deep ecology does not separate human from his/her natural environment. It views the world not as groups of separate objects but as a network of phenomena that is interconnected and depended fundamentally upon one another. Deep ecology admits all intrinsic values of every creature and views that humans are no more than a chain in the web of life. Deep ecology is in fact an ecological consciousness that is directed towards spiritual consciousness.

Deep Ecology by Capra has even made changes on spiritual level. However, the spirituality here is limited to cyclic consciousness in anthropocentric self-interest reality towards ecological reality of the universe. In the appendix of *The Tao of Physics* in 1999 (twenty five years after the book was being published for the first time), Capra reaffirms the meaning of spirituality of the New Paradigm to replace Modern Science:

“Spirituality that is related to the new vision of reality which I have generally laid out in this book, most possible is an ecological spirituality, that is earth-oriented and postpatriarchal.”

Implementation of Deep Ecology in accounting could be seen from accounting researches such as conducted by Gray (2006) who describes that social-environmental accounting has changed from the previous practices. So far, social-environmental reporting is only a supplement and legitimation for the company. The concern is only “clothing” but not “the heart” of the company. The ecological “clothing” and sustainability as stakeholder’s representation of concerns are worn as “mask” for company orientation of stock holder’s interest. Why is this happening? This is because financial statements are based upon “pristine liberal economic democracy”, which is moral self-interest view with liberal economic power interest. As the result of liberal economic thought, economic power is placed on rational investors (capital market) that would have impact on social welfare. This base of liberal thought brings about Trickle Down Theory. Social accounting here has put more emphasis on qualitative report and descriptive statistic to see how organizations report their activities to their stake holders. This means

that application of reports are no longer supplements but has become supplant and reaches equal positions with the present dominant financial statements.

Technical implementation has been conducted by Mook, *et al.* (2003; 2005) who give alternative of the domination of income statement with Expanded Value Added Statement (EVAS). EVAS is an alternative discourse on value added-based income concept⁵. EVAS is an extension of value added statement (VAS) (Mulawarman 2006, 171). VAS is employed to internal creation and distribution to stake holders, as well as fund maintenance towards independence of the company. EVAS puts emphasis on the role of organization in directing benefits for the general society that is usually neglected in financial statement because it is regarded as externalities and could not be quantified monetarily. EVAS focus has put forward integration of financial and non-financial information, financial data synthesis with social input-output, financial and social data combination to portray social and economic impact of the company. Even though EVAS still retains material accounts (financial-social-environmental) and limited qualitative/descriptive, it still could not present non-material/qualitative accounts that are wider in scope, be them soul or spiritual accounts.

The advancement of social-environmental accounting has used deep-ecology, but it is still negated by accounting “mainstream”, which is traditional accounting with additional orientation to society and environment based on shallow ecology. The long journey for accounting does not stop on social and environmental accountability. To me, accounting must proceed further by using holistic Pancasila and referring to UUD 1945 that employ the principle of *Paritas dan Kewargaan dari Keilmuan Semesta*/Parity and Citizenship of the General Theory of Science (Nataatmadja 1994). Value Added Accounting as a replacement of conventional accounting income does not stop at account recording that is material oriented and limited quantitatively as shown in EVAS.

Value Added Income, therefore has a holistic form namely balanced accounting matrix based on Harmonious Parity (*Rukun Paritas*), *i.e.* balanced in material-soul-spiritual as well as self-financial-social-environment, be them in quantitative and (or) qualitative forms in the corridor of Godliness value as the beginning purpose-process-ending purpose of the company. Besides that, Harmonious Parity-based accounting, would not only prioritize limited holders interest or the joining of society and environment in accounting scope, but also has the main emphasis on pro people accounting, pro environment

⁵ Value Added is an income concept that portrays income in a wider perspective compared to conventional accounting income concept. VA has a unique accounting income in “justice” through the principle of income creation and distribution to all interest groups from management, employees, stock holders, owners, creditors, government, suppliers, consumers and environments (Mulawarman 2006, 129-130).

accounting, as logical consequence of company as it becomes tool towards God consciousness. The impact is clear, that it would be important to explore further value added concept that possesses not just social and environmental “wisdom”, but also material extension (financial-social-environment) as well as non-material extension (batin/soul and spiritual) based on Harmonious Parity. This is value-added based on holistic wisdom sourced from the General Theory of Science from Nataatmadja (1994), which elucidates value added accounting based on holistic wisdom with the orientation of accountability that is pro holistic holders. Value Added Accounting based on holistic wisdom would produce twelve chakras as shown in the table 1 (appendix).

Value added Accounting matrix based on holistic wisdom has two main concepts, which are horizontal and vertical value added concepts. Horizontal value added concept is material in nature (quantum), through the path of soul as a way to achieve spiritual reality (wisdom). Each horizontal value added is hierarchical to follow the pattern of vertical value added pattern comprises four aspects: self, social, universe and spiritual. The details of the twelve chakras based on holistic wisdom are explained in 5.3.

The twelve chakras of value added accounting based on holistic wisdom. Chakra of self quantum is the base of material-self value added. This chakra is an egoistic chakra that reflects the human independence and importance as reality that possesses economic wills. Although economic wills are materialized in the value added of self, they are still accompanied by the second chakra, which is self flowing soul chakra.

Chakra of self flowing soul is a reflection of self ethics that have become the way or “*sunatullah*” of human. The will to accumulate value added self quantum is usually limited or controlled by this flowing soul chakra, while seeing self and social reality as self that could not be free from society effects. Self flowing soul chakra is the self chakra that bridges self to will for value added that calms the soul.

The interaction between self quantum chakra and self flowing soul chakra towards the balance of material and soul will, yet retains the empathy to other selves, would give self value added to others. When human has reached this balance (the balance of material satisfaction as well as empathy in the form of value added charity from his/her soul reflection) then value added is achieved based on self wisdom chakra.

Social quantum chakra is a base of material-sociological value added. Based on this chakra, value added has sociological-society nature, which means that the zenith of material value added is social balance. Companies are no longer the centres of material interest, but social balance is the centre of material interest. The main orientation of value added is the balance between material income quantification interest for direct internal company (management and employees),

indirect internal company (owners, stock holders, creditors) as well as indirect external company (surrounding society and society in general).

Social flowing soul chakra is the sociological value added aspect that is qualitative in nature. Social flowing soul chakra is a bridge to sociologically horizontally balance social quantum (quantitative-material value added) with social wisdom (qualitative-spiritual value added). Social quantum could be well distributed financially when there is a soul that is sourced from social wisdom. In simple words, social flowing soul chakra is the inner social wisdom voice that is implemented in the distribution of value added for each interest holder in justice. Social flowing soul chakra, besides acting as a bridge of social wisdom, is also qualitative-sociological value added aspect that provides calm and peaceful space for every stake holder. This means, there is in fact society soul value added that must be distributed in proportion to each stake holder. It would take the form of local culture soul values as representation of company's sociological stance. Company is regarded as social soul value added distributor when it accommodates local culture into the company's activities. Indonesian national-local culture must be accommodated well, with determining accounts based on people economy, as well as accounts based from Pancasila; that are implemented from the textual tenets of Pancasila and Indonesian activities, be them national or local. An example is the possibility of the formation of account such as "*gotong-royong*" (activities of villagers/citizens to maintain and develop public facilities for social-societal functions) or "*arisan*" (activities that share economic benefits in turns and strengthen kinship amongst housewives as well as additional fund for the family). These are indigenous Indonesian activities. "*Gotong royong*" or "*arisan*" have become well accepted as cultural values that could be accepted by Indonesian societies at national level⁶. Companies would not be regarded as having social soul value added when cultural values are not well absorbed and the local values are reduced by company's culture domination.

The zenith of accounting qualitative-sociological value added is called chakra of social wisdom. Social wisdom is spiritual value added of the company that combines spiritual universal values with localities where the company conducts its activities. This means that value added distribution process is given to each stake holder based on the value added creation aspect of each stake holder interest that owns spiritual wisdom. Value added accounting creation aspects are built through justice, goodness and honesty as well as *akhlaq*/ethics where the company operates. Creation aspect is not only about financial measurement and would result in material/quantitative value added accounting distribution. The judgment of *akhlaq*/ethics must be involved in the measurement model as well as accounting recognition pattern. Social wisdom values are no longer in voluntary form of

⁶Even "*Gotong Royong*" was made as Indonesian cabinet name in the ruling of President Megawati Soekarnoputri, which is *Kabinet Gotong Royong*.

creation or distribution aspects, but they must become mandatory aspect that would emerge in every financial statement.

The next chakra is called Universe Quantum. In accounting, Universe Quantum chakra must recognize ecological materiality that is balanced with the Social Quantum. Up to this date, environmental aspects are regarded as externalities for the company. This is not so in value added based on holistic wisdom. Environment Quantum is also a part that is inherent in the creation measurement until its distribution. This means that the company must place natural environment as one stake holder at the same level (with balance and justice) with other interest holders. Environment Quantum must have equal right to income distribution. Based on such just distribution the environment can maintain its sustainability.

The Universe Flowing Soul chakra is similar to Social Flowing Soul chakra. It functions as a horizontal-ecological balancing bridge between Universe Quantum with (quantitative-material value added) with Universe Wisdom (qualitative-spiritual value added). Universe Quantum could be well distributed financially when there is a soul that is sourced from Universe Wisdom. Universe Flowing Soul is the inner voice of Universe Wisdom that is implemented in the justice of value added distribution of each interest. Universe Flowing Soul besides the bridge to Universe Wisdom, is also ecological-qualitative aspect that gives room for ecological sustainability for each interest holder. This means that there is environmental soul value added that must be distributed in justice to every interest-holder. This would take the form of natural balance soul value as a representation of ecological position of the company. Ecological aspect with various local cultures in Indonesia become important and must be textually or contextually accommodated by the company. The company is regarded to have distributed Universe Flowing Soul value added when it has taken great care to maintain environmental friendly process in its business activities. The company would not be regarded to have Universe Flowing Soul value added if ecological balance has been disturbed. Environmental destruction would not have affected directly the company, but also when social space has been disturbed from its environment stability, then the company does not have care for the environment at all.

The peak of value added accounting that is qualitative-ecological in nature is chakra of Universe Wisdom. Universe Wisdom is a spiritual value added of the company that would keep the values of balance as well as environmental stability in cultural symbols and in behavior of the company. This means that ecological values must be involved in the measurement and recognition criteria of creation and distribution aspects of value added accounting. The values of Universe Wisdom are not just about voluntary aspects of either value added creation or distribution, but must become mandatory aspect that would show up in every financial statement.

Spiritual Quantum Chakra is the peak of material-quantitative value added. Spiritual Quantum is the central measurement to determine whether value added (be it in the process of creation or in the process of distribution) would have spiritual value added for every interest holder, from (direct and indirect) internal company to (direct and indirect) external company. Spiritual Quantum must be immersed in every aspect of material-quantitative value added, based on spiritual values whose measurement models have already been developed. For example, *zakat*, *infaq*, *shadaqah* or *halal-haram* in Spiritual Quantum of Islamic society known as *syara'* (law) aspects in Islam⁷. These *syara'* measurements have been determined through *Fiqh* (regulation) with several mathematical-quantitative calculation models. Similar thing could be determined. Spiritual Quantum in cultural wisdom *a la* Indonesia that is very thick with spiritual-sociological uniqueness must also be accommodated. There are "*slametan*" (a ritual to gain safety as well as blessing as shown in farmers' economic activities) or "*larung*" (a ritual to gain safety as well as blessing as shown in fishermen's economic activities). "*Slametan*" activity could also be conducted, not just farmer, but also in general events, such as when one is about to go on a *hajj*, building a house, getting a new social status, then friends and neighbors are invited to join in thankful prayer to God. The fact is, "*slametan*" is no longer local tradition, similar to "*gotong royong*" or "*arisan*". It has become the national culture behavior of Indonesian society. "*Slametan*" activities have even become "psychological duties" that have been carried out by many companies in Indonesia⁸.

⁷Activities that are thick with shariah atmosphere, both social-environmental have been made as one important aspect in the value added concept of shariah accounting (eg. Mulawarman, 2009)

⁸The empirical evidence could be found in "*slametan*" at Jasa Raharja (BUMN/state owned company in insurance business) of West Sumatera. When it moved to its new office in Padang, on 22 October 2009, it held "*slametan*" as well as social activities which are having feast together with the orphans and giving them gifts (<http://www.jasaraharja.co.id/read.cfm?id=7865>). "*Slametan*" in large scale has been a yearly tradition in *Pabrik Gula Jati Barang* (a state owned sugar company) that is owned by PTPN IX (Persero), Brebes, Jawa Tengah as a large farming BUMN in Indonesia. These activities are called *Metikan*. Especially in 2009 the event was called *Metikan Pesta Giling 2009 PG Jati Barang Banjarnegara*. The event of "*slametan*" nearing harvesting season as one that is conducted by PG Jati Barang is also carried out by other state owned sugar plantations belonging to PTPN in all Java with different terms such as *Cembengan*, *Wiwitan*, *Royalana*, *Bancakan* (<http://pgjatibarang.blogspot.com/2009/05/metikan-pesta-giling-2009-pg-jatibarang.html>). Pertamina, as one of the largest BUMN in Indonesia in oil business, in its 50 years of anniversary has held "*slametan*" everywhere. UPMS VII Region in Makassar for example, by holding a "*slametan tumpengan*" on 9 Desember 2007 (<http://www.pertamina.com/download/mediapertamina/2008/mpno03210108.pdf>). Pertamina EP Field Pangkalansusu held "*slametan*" and donation distribution to 44 orphans in Desa Sei Baharu, Kecamatan Hamparan Perak,

Spiritual Flowing Soul chakra is the peak of soul-qualitative value added. Spiritual Flowing Soul value added is the rights that exist in religious individual or society. Spiritual Flowing Soul aspect provides opportunity for the acceptance of employees' and societies' rights, for example, to carry out their religious obligations. Amongst these activities are *shalat*, building *mushala* in offices, donation to local mosque establishment where the company is. Similar conducts should be applied to other employees or societies with different religions such as Christians, Catholics, Hindu, Budha, or Konghucu.

Lastly, the peak of all value added chakras is called Spiritual Wisdom chakra. Spiritual Wisdom value added is the recognition of Godliness spirituality as a base for company, society and nature. Spiritual Wisdom value added is not about qualitative value added aspect that is most abstract that "might" not be possible to be recorded or physically quantified. Spiritual Wisdom aspect has the highest position in every aspect of wisdom; be it in Social Wisdom or Universe wisdom. For me, Spiritual Wisdom value added must exist in the beginning-process-end of Universe and Social Wisdom, which then would be immersed in all other value added aspects; such as soul-social-universe similar to soul-spiritual or even quantum of social-universe-spiritual. In short, spiritual wisdom becomes the driver in addition of challenging Spiritual Wisdom, for the value added, and also "drivers" for the rest of value addeds. This is consciousness value added based on *Ilahiyyah* or Godliness.

CONCLUSION

Neoliberalism are directed towards economic interest with technological tool-including accounting – to handle the traffic of company cash flow through "virtual world" that is getting uncontrollable. Such condition would have effect on monetary traffic and control of technology as well as production that are only concentrated on a few MNCs. This concentration would produce political hegemony and shift economic power of developing countries into "figure actors" or subordinates whose fates are depended upon the MNCs. The countries as well as the economy of the people would be under hegemony of MNCs as "oppressed colonialized companies"; supported by corrupt government (state capture corruption). This has been affirmed by Rais (2008:182) that neoliberalism has become a way for MNCs' corporate crime leading towards state capture corruption, through MNCs' collusion with most of executives, legislatives, judicative and mass media.

The search of accounting with holistic wisdom is taking us to accounting based on the ideology of true Pancasila. Accounting

Deli Serdang, right before oil drilling activities took place. Before oil drilling, prayer was done to avoid any danger and to obtain satisfactory reward (<http://www.harianglobal.com/index.php?option=comcontent&view=article&id=23061%3Aapertamina-ep-pangkalansusu-santuni-anak-yatim&Itemid=60>) .

Vol. 22, No. 1 August 2014

© Centre for Indonesian Accounting and Management Research
Postgraduate Program, University of Brawijaya

implementation in income concept that is in line with Pancasila must be pro people, pro society, pro environment, subjective as well objective in nature and is characterized by the balance of justified value added both material and non material. This means that the income concept is no longer partial, but becomes a holistic value added, both material and non-material simultaneously. Accountability of value added with holistic wisdom would finally refer to the balance of twelve value added chakras.

Rolas cakra iku rolas kasampurnan

Rolasing angka siji lan loro

Siji loro dadi telu

Siji sepi, loro lumrahing kasaimbanganing urip, telu pinuju kalangkapaning urip

Siji karep, karepe seneng dunyo

Loro bareng, barenge kerukunan, barenge kalestarining alam

Telu lengkap, lengkaping rogo, manah lan makrifat

Loro iku kaseimbanganing manah lan pikir

Siji iku tujuan kaseimbanganing manah lan pikir marang Gusti Pangeran

Siji ora kekal, loro ora kekal, telu ora kekal

Siji loro telu, ing akhire lakon, ilang, kosong

Kosonge raga, kosonge jiwa, kosonge urip, kasampurnan...

REFERENCES

- Abeysekera, I. 2005. International Harmonisation of Accounting Imperialism – An Australian Perspective. *Critical Management Studies Conference*.
- Arif, S. 1995. Dialektika Hubungan Ekonomi Indonesia dan Pemberdayaan Ekonomi Rakyat. *KELOLA*. No. 10/IV. hal 29-42.
- Barnet, R.J and R.E. Muller. 1984. *Menjangkau Dunia: Menguk Kekuasaan Perusahaan Multinasional*. Terjemahan Indonesia. LP3ES. Jakarta
- Berie, Jr. and G.C. Means. 1932. *The Modern Corporation and Private Property*. New York: Harcourt, Brace and World.
- Bernstein, L.A. 1967. The Concept of Materiality. *The Accounting Review*. Januari pp 86-95.
- Capra, F. 1996. *The Web of Life: A New Scientific Understanding of Living Systems*. Anchor Books. United States of America.
- Capra, F. 1999. *The Tao of Physics*. 4th Edition. Terjemahan. 2005. Jalasutra. Yogyakarta.
- Capra, F. 2003. *The Hidden Connections: A Science for Sustainable Living*. Flamingo.
- Chariri, A. and I. Ghozali. 2000. Teori Akuntansi. Edisi Revisi. Badan Penerbit Undip. Semarang.
- Choi, F.D.S. and G.G. Muller. 1998. *Akuntansi Internasional*. Edisi Indonesia. Penerbit Salemba Empat Jakarta, Simon & Schuster (Asia) Pte. Ltd. dan Prentice-Hall Inc.

- Diaconu, P.Sr. 2007. Impact of Globalization on International Accounting Harmonization. *Working paper series on Social Science Research Network*.
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=958478.
- Dorweiler, V.P. and M. Yakhou. 2005. A Perspective on the Environment's Balance Sheet. *The Journal of American Academy of Business*, Cambridge. Vol. 7 No. 2. September.
- Drucker, P.F. 1993. *The New Realities: In Government and Politics/In Economics and Business/In Society and World View*. Asian Books pvt ltd. New Delhi.
- Drucker, P.F. 2004. *The Concept of Corporation*. Fourth Printing. New York.
- Estes, R. 2005. *Tyranny of The Bottom Line: Mengapa Banyak Perusahaan Membuat Orang Baik Bertindak Buruk*. Terjemahan Indonesia. Penerbit Gramedia Pustaka Utama. Jakarta.
- Financial Accounting Standards Board (FASB). 1975. *Materiality. Discussion Memorandum*. Stamford, CT: FASB.
- Financial Accounting Standards Board (FASB). 1980. *Qualitative Characteristics of Accounting Information. Statement of Financial Accounting Concepts No. 2*. Stamford, CT: FASB.
- Frishkoff, P. 1970. An Empirical Investigation of the Concept of Materiality in Accounting. *Empirical Research in Accounting: Selected Studies*. pp 116-126.
- Graham, C. and D. Neu. 2003. Accounting for Globalization. *Accounting Forum*. Vol. 27 (4) December. pp 449-471.
- Gray, R., D. Owen, and C. Adams. 1996. *Accounting and Accountability: Changes and Challenges in corporate social and environmental reporting*. Prentice Hall.
- Gray, R. 2006. Social, Environmental and Sustainability Reporting and Organisational Value Creation? Whose Value? Whose Creation? *Accounting, Auditing and Accountability Journal*. Vol. 19 (6) pp 793-819.
- Hatta, Mo. 1947. *Penundjuk Bagi Rakjat Dalam Hal Ekonomi: Teori dan Praktek*. Penerbit Kebangsaan Pustaka Rakjat. Jakarta.
- Hicks, Ernest L. 1964. Materiality. *Journal of Accounting Research*. Autumn. Vol. 2 (2) pp 158-171.
- Kim, S. N. 2004. Imperialism Without Empire: Silence in Contemporary Research on Race/Ethnicity. *Critical Perspectives on Accounting*. Vol. 15 (1) pp 95-133.
- Mayper, A.G., RJ Pavur, B,D. Merino dan William Hoops. 2005. The Impact of Accounting Education on Ethical Values: An Institutional Perspective. *Accounting and the Public Interest*. Vol. 5 pp 32-55.
- Messier, W.F. Jr., N. Martinov-Bennie and A. Eilifsen. 2005. A Review and Integration of Empirical Research on Materiality: Two Decades Later. *Auditing: A Journal of Practice and Theory*. Vol 24 (2). November pp 153-187.

- Merino, B.D., A.G. Mayper and T.G. Tolleson. 2005. Neo Liberalism & Corporate Hegemony: A Framework of Analysis for Financial Reporting in the United States. *Critical Management Studies Conference*.
- Miller, M.H. and F. Modigliani. 1961. Dividend Policy, Growth and the Valuation of Shares. *Journal of Business*, 34, 411-33.
- Modigliani, F. and M.H. Miller. 1958. The Cost of Capital, Corporate Finance and the Theory of Investment. *American Economic Review*, 48, 261-97.
- Modigliani, F. and M.H. Miller. 1963. Corporate Income Taxes and the Cost of Capital: A Correction. *American Economic Review*, 53, 433-43.
- Modjo, M. I.. 2009. Mengurai Polemik Ekonomi Liberal dan Kerakyatan. *Paper Pemantik pada Diskusi Mengurai Polemik Ekonomi Neoliberal vs Kerakyatan pada Forum Liberal Society*. Jakarta, 26 Mei.
- Mook, L.. 2003. A Social Accounting Framework for Cooperatives: The Expanded Value Added Statement. ACE Institute, Madison, Wisconsin. <http://www.wisc.edu> download internet 15 Oktober 2005.
- Mook, L., BJ Richmond and J. Quarter. 2003. Social accounting for Nonprofits: Two Models. *Nonprofit Management & Leadership*. 13 (4) pp. 308-24.
- Mook, L., BJ Richmond and J. Quarter. 2005. Social accounting for social economy organizations. *Research Bulletin No. 27. Centre for Urban and Community Studies*. University of Toronto. www.urbancentre.utoronto.ca
- Mubyarto, 2002. Ekonomi Kerakyatan dalam era globalisasi. *Jurnal Ekonomi Rakyat*. Tahun I No. 7. September.
- Mubyarto. 2003. Dari Ilmu Berkompetisi ke Ilmu Berkoperasi. *Jurnal Ekonomi Rakyat*. Th. II. No. 4. Juli.
- Mulawarman, A.D. 2006. *Menyibak Akuntansi Syariah*. Penerbit Kreasi Wacana. Jogjakarta.
- Mulawarman, A.D. 2008. Pendidikan Akuntansi Berbasis Cinta: Lepas dari Hegemoni Korporasi Menuju Pendidikan yang Memberdayakan dan Konsepsi Pembelajaran yang Melampaui. *Jurnal EKUITAS*. STIESIA. Surabaya.
- Mulawarman, A.D. 2009. Perubahan Melalui Akuntansi Syariah di Era Krisis Neoliberalisme, *Makalah Seri Seminar Ekonomi Islam, Krisis Keuangan Global: Solusi Konkrit Ekonomi Islam*, STEI TAZKIA, Bogor 10 Januari.
- Mulawarman, A.D. 2009. Akuntansi Syariah: Teori, Konsep dan Laporan Keuangan. Penerbit e-publishing. Jakarta.
- Nataatmadja, H. 1983. *Membangun Ilmu Pengetahuan Berlandaskan Ideologi*. Penerbit Iqra. Bandung.
- Nataatmadja, H. 1984. *Pemikiran Ke Arah Ekonomi Humanistik: Suatu Pengantar Menuju Citra Ekonomi Agamaui*. PLP2M. Jogjakarta.

- Nataatmadja, H. 1994. *Krisis Manusia Modern*. Penerbit Al Ikhlas Surabaya.
- Nugroho, Heru. 2001. *Negara, Pasar dan Keadilan Sosial*. Pustaka Pelajar. Jogjakarta. Sarman,
- Rais, M. A.. 2008. *Agenda Mendesak Bangsa: Selamatkan Indonesia*. PPSK Press. Jogjakarta.
- Rohmat. 2007. *Ekonomi Kerakyatan: Introspeksi eksistensi pembangunan ekonomi?* download internet 23 Agustus.
- Ro, B.T. 1982. An Analytical Approach to Accounting Materiality. *Journal of Business Finance & Accounting*. Vol. 9 (3) pp 397-412.
- Shutt, H. 2005. *Runtuhnya Kapitalisme*. Terjemahan. Teraju. Jakarta.
- Stiglitz, J.E. 2006. *Dekade Keserakahan : Era 90'an dan Awal Mula Petaka Ekonomi Dunia*. Terjemahan. Penerbit Marjin Kiri. Tangerang.
- Suwardjono. 2005. *Teori Akuntansi: Perekayasaan Pelaporan Keuangan*. Edisi Ketiga. BPFE. Yogyakarta.
- Tjokroaminoto, H.O.S. 1950. *Islam dan Socialism*. Bulan Bintang. Jakarta.
- Williamson, J. 2004. A Short History of the Washington Consensus. *Working Paper. Conference "From the Washington Consensus towards a new Global Governance"*. Barcelona, September 24-25.
- Wolk, I., JR. Francis, MG. Tearney, 1989. *Accounting Theory : A Conceptual and Institutional Approach*. 2nd Ed. PWS-KENT Publishing Company, Boston.

Appendix

Table 1. Value Added Accounting matrix Based on Holistic Wisdom

Value Added Accounting for	Spiritual	Flowing Soul (<i>Batiniah</i>)	Material
God	Spiritual Wisdom	Spiritual Flowing Soul	Spiritual Quantum
Environment	Universe Wisdom	Universe Flowing Soul	Universe Quantum
Society	Social Wisdom	Social Flowing Soul	Social Quantum
Self	Self Wisdom	Self Flowing Soul	Self Quantum